

# UTAH LEAGUE OF CITIES & TOWNS

## MUNICIPAL ADVOCATE ON THE HILL (SLC & DC)

Cameron Diehl  
Attorney

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### WHO WE ARE: [WWW.ULCT.ORG](http://WWW.ULCT.ORG)

### WHAT'S DC THINKIN'? (MONTHLY Q & A)



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### LEGISLATIVE POLICY COMMITTEE

### WHO CALLS THE SHOTS





Chair: John Curtis  
Mayor, Provo City

- 187 members
- 83 cities and towns
- Takes positions on bills, provide direction to ULCT staff, and examine municipal policy

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### HOW DOES ULCT PROCESS WORK?

- **WHO BRINGS ISSUES:**
  - ULCT member brings issue to LPC & ULCT staff
  - Annual Convention resolution process (ie. water fees, transportation \$)
  - BACI Group
  - ULCT staff proactively brings issue to LPC
- **WHO DECIDES:**
  - ULCT staff researches issue in conjunction with city staffers & makes recommendations to LPC
  - LPC deliberates & approves or rejects staff recommendation
- **WHO ADVOCATES:**
  - City officials and ULCT staff work together

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### HOW DOES ULCT PROCESS WORK?

- **Spring/Summer:**
  - Monthly Legislative Policy Committee meetings
    - Members: elected officials, city managers, city attorneys, city staff
    - 100+ in attendance, 300+ statewide members
  - In-depth presentations on key issues by experts
    - Director of the Utah State Office of the Fiscal Analyst, agency heads
    - Utah Speaker of the House, Senate President, bill sponsors
    - Members of Congress
  - Evaluate issues and provide guidance to ULCT staff
- Monthly Land Use Task Force meetings
- Regular meetings w/legislators, agency heads & congressional staff

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### HOW DOES ULCT PROCESS WORK?

- **Fall:**
  - Annual Convention LPC and business session
  - Members pass resolutions on critical issues
- **Winter: LEGISLATURE**
  - Weekly Legislative Policy Committee at capitol
  - Weekly policy meetings (Baci) with city staffers
  - Daily strategy sessions with city staffers
  - Regular Action Alerts
  - Daily communication with ULCT members statewide

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## THE TRACKING SHEET AND UPDATE

ULCT Legislative Session Tracking/Position Sheet 1/25/13										
Bill	Short Title	Prime Sponsor	Prime Sponsor	Status	Calendar	Position	Enrolled	ULCT Position	Notes	Staff
1	HB0011 Local Transportation Corridor Preservation Fund Amendments	LAM, B.		House Bill Reading Calendar for House Bills	1	Yes	No Position		This bill modifies the Transportation Code to amend provisions relating to the local transportation corridor preservation fund.	
2	HB0012 State Park Access Amendments	LAM, B.		House Bill Reading Calendar for House Bills	2	Yes	No Position		This bill modifies the highway jurisdiction and classification of the state park access highway.	
3	HB0013 Disposal of Certain Surface Property	Barnes, S.	Adams, J. S.	House Bill Reading Calendar for House Bills	3	No Position			This bill exempts certain property owned by the Department of Transportation from the state property tax.	
4	HB0014 High Occupancy Vehicle Lane Amendments	Hartley, S.		House Bill Reading Calendar for House Bills	4	No Position			This bill modifies the definition of a high occupancy vehicle lane.	
5	HB0015 Utah Retirement System Amendments	Spicer, D.		House Bill Reading Calendar for House Bills	5	No	TBD		This bill makes changes to the Utah Retirement System Act by amending its provisions.	
6	HB0016 Adjudication of Water Rights	Winters, J.		House Bill Reading Calendar for House Bills	6	No	TBD		This bill makes changes to the adjudication of water rights under Title 18, Water and Irrigation.	
7	HB0017 Line of Duty Death and Disability Amendments	Martinez, K.		House Bill Reading Calendar for House Bills	7	No	TBD		This bill modifies the Utah State Act relating to the death and disability benefits for law enforcement officers.	
8	HB0018 Election Law Amendments	Phelan, K.		House Bill Reading Calendar for House Bills	8	No	TBD		This bill makes conforming amendments to the election law.	
9	HB0019 Protection of Minors with Incest Statute Act Amendments	Rog, R.		House Bill Reading Calendar for House Bills	9	No	TBD		This bill modifies the incest statute by amending its provisions.	

## SO WHAT DID WE DO IN SLC....THE ISSUES

Worked on over 130 Bills in 32 Working Days

- Billboards
- Water
- Procurement
- Transparency
- Sales Tax (Marketplace Fairness)
- Justice Courts
- Transportation
- Referendum
- Just to name a few

## TRANSPARENCY & ULCT TECHNOLOGY

### THE BILLS

SB77  
SB157

### THE ISSUES

- Make DRAFT minutes available within 30 days of a city council meeting
- Post APPROVED minutes of a council meeting to public notice website within 2 days of approval
- Exemption for 5<sup>th</sup> class cities and towns....FOR NOW.
- Create a new transparency advisory committee
- Includes membership from ULCT

### TO DOs

Change ordinances to reflect new definition of draft & approved minutes  
Recognize that with technological advances the public and the legislature are expecting more availability of basic public records through electronic means

## TRANSPARENCY & ULCT TECHNOLOGY

### What the ULCT is doing to HELP!!

- Lobbied for & received appropriation from Legislature to create web-based tools for local governments to aid in compliance with legislative transparency initiative
- Currently working with several cities on a data/document management system that can be used by all cities

### WHAT IT WILL DO

- Cloud-Based application
- Creates workflow management tools, automates retention, and automates transparency filing requirements

### WHEN WILL IT BE READY?

- Currently in the Software Development Stage

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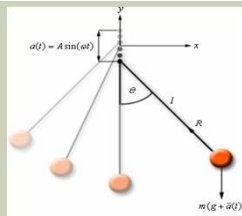
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## THE PENDULUM **ALWAYS** SWINGS AND THE DEBATE CONTINUES



Transportation funding      Medicaid expansion      Alcohol  
GRAMA & technology      Water quality      Election issues  
Active transp/trails      Good landlord      Impact fees  
And MANY ... MANY ... MANY ... MANY ... MORE!!!

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## UNCLE SAM AND YOU

**2010**

- Recession/stimulus/bailouts (08)
- Affordable Care Act
- Tea Party election

**2011**

- Debt ceiling
- Budget Control Act, Super Committee

**2012**

- Status quo election
- Fiscal Cliff compromise (taxes)

**2013**

- Sequestration (1.2 Trillion)
- Debt ceiling, May & October
- GOVERNMENT SHUTDOWN

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### UNCLE SAM AND YOU

- House GOP:
  - De-fund & delay Obamacare as part of federal budget
  - Exactions for debt ceiling increase & resumption of federal gov't spending
    - 22 GOP members publicly expressed willingness to resume fed gov't
- Senate Democrats & President Obama insist on:
  - Fund entire federal government with Obamacare
  - Increase debt ceiling
- As of Oct 10:
  - Parks shutdown: \$750 million in visitor spending lost (10 days)
  - House: fund federal gov't piece by piece
  - House GOP offer: lift ceiling through Nov 22 & re-start negotiations on Obamacare, medical devices, and entitlement spending
  - Senate/President: re-open government fully first, then we'll talk

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### UNCLE SAM AND YOU

- Oct 11: National Park agreement
  - Utah (and other states) loan \$ to federal gov't to re-open parks for 10 days
  - Average October revenue from Utah nat'l parks: \$100 million
- Oct 14: Negotiations collapsed over the weekend
- Debt ceiling limit on Oct 17 (authority to borrow & spend \$)
  - Potential result: US default on debt
- What happens next? Who knows?

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### FEDERAL SPENDING VS. FEDERAL REVENUE

**Federal Spending Exceeds Federal Revenue by More than \$1 Trillion**

Since 1965, spending has risen constantly. While federal revenues are recovering from the recent recession, spending is growing sharply, resulting in four consecutive years of deficits exceeding \$1 trillion.

INFLATION-ADJUSTED DOLLARS (2012)

Year	Spending (Trillion)	Revenue (Trillion)	Deficit (Trillion)
1965	~0.5	~0.5	0
1970	~0.8	~0.8	0
1975	~1.2	~1.2	0
1980	~1.5	~1.5	0
1985	~1.8	~1.8	0
1990	~2.0	~2.0	0
1995	~2.2	~2.2	0
2000	~2.5	~2.5	0
2005	~2.8	~2.8	0
2010	3.60	2.52	1.08

Source: Office of Management and Budget.

Federal Spending Chart 2 • Federal Budget in Pictures 2012 • [Heritage.org](#)

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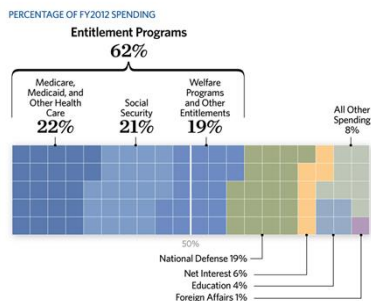
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### More than Half of All Federal Spending Will Be on Entitlement Programs in 2012

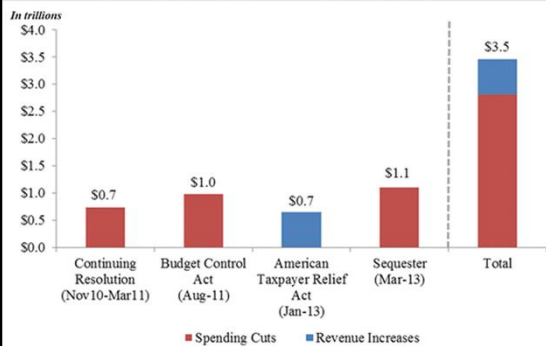
Medicare, Medicaid, and Social Security—along with other entitlements such as food stamps, unemployment, and housing assistance—make up 62 percent of all federal spending. In contrast, spending on foreign aid represents about 1 percent.



Source: Office of Management and Budget.

Federal Spending Chart 11 • Federal Budget in Pictures 2012 • heritage.org

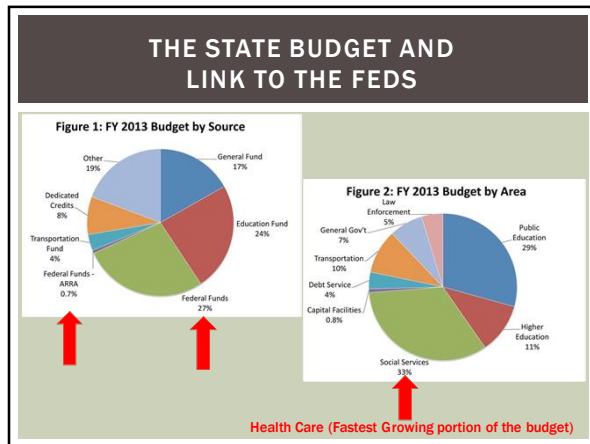
### Deficit Reduction Enacted so Far (2013-22)



### Where The Cuts Are Falling (2013-22)

	Spending As % of Total Budget	Cuts As % of Total
Defense	14%	38%
Non-Defense	14	44
Entitlements	48	4
Other Mandatory	13	1
Interest	11	13
<b>Total</b>	<b>100%</b>	<b>100%</b>

Note: Total spending cuts include those passed in the Continuing Resolution 2011, the Budget Control Act 2011, and the Sequester




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- ### UTAH DELEGATION
- Senator Orrin Hatch
    - First elected 1977
  - Ranking Member, Finance Committee
  - Senator Mike Lee
    - First elected 2010
  - Judiciary Committee
  - Congressman Rob Bishop
    - First elected 2002
  - Armed Services
  - Congressman Chris Stewart
    - First elected 2012
  - Natural Resources
  - Congressman Jason Chaffetz
    - First elected 2006
  - Homeland Security
  - Congressman Jim Matheson
    - First elected 2000
  - Energy & Commerce

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- ### UNCLE SAM AND YOU: MUNICIPAL BONDS
- Total 2013-2017: \$306.1 mill; 15% of deficit-reduction goal
    - Mortgage deduction: 30% of goal; Charitable deduction: 12% of goal
  - Options on table
    - Status quo: maintain tax-exempt status on interest from muni bonds
    - 28% cap: tax interest earnings for taxpayers in brackets above 28%
    - Full repeal: tax interest earnings like regular income
  - 2003-2012: \$1.65 trillion from 50,000 state & local gov'ts
    - 28% cap: state & local gov'ts would have spent extra \$173 billion
    - Full repeal: state & local gov'ts would have spent extra \$495 billion
    - Grandfather v. retroactive tax
  - Dems & GOP

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## UNCLE SAME AND YOU: MUNICIPAL BONDS

Type of bond	Principal	Tax rate on interest	Interest	Return after tax for investor	Add interest paid by city
Non-muni bond	100	40%	10%	\$6	0
Muni bond	100	0	6%	\$6	(-4%)
Muni bond	100	12%	7.2%	\$6	+1.2%
Muni bond	100	40%	10%	\$6	+4%

- 2003-2012: 401 Utah bonds for \$14 mill
- SLC public safety building (\$125 mill) & public works (\$22 mill)
  - 28%: \$2.1 mill (15%)
  - Full: \$5.9 mill (43%)
- Other cities?

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## UNCLE SAM AND YOU -- IMMIGRATION

- United States Senate passed S. 744 in summer 2013 (68-32)
- PROCESS
  - Undocumented immigrants can register for Registered Provisional Immigrant (RPI) program
    - DREAM Act
    - Ag Jobs
    - Guest workers
  - Before the immigrants can apply, however:
    - Comprehensive Southern Border Security Strategy
    - E-Verify
  - Overhaul of removal, detention & court process

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## UNCLE SAM AND YOU -- IMMIGRATION

- E-VERIFY EXPANSION
  - Currently less than 1% of Employers nationwide are enrolled
- Mandated for ALL employers within 5 years
- Enhanced documentation
  - Fraud-proof docs
  - ID-theft resistant Social Security cards, photo tool
  - 3 business days
- Precedent over state/local laws
- Penalties up to \$25,000/\$10,000
- Linked to implementation of legalization process

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### UNCLE SAM AND YOU – MARKETPLACE FAIRNESS ACT

- United States Senate passed S. 743 (69-27)
- Grant local/state gov'ts option to collect sales tax from remote sellers already owed to them
- Remote sellers of \$1+ million would collect & remit sales tax
- \$23 billion (FY 2012)
- Utah: member of the Streamlined Sales & Use Tax Agreement
- Free compliance software
  
- Wireless Tax Fairness Act of 2011
  - Ban new state/local taxes on wireless communications for 5 yrs
- Business Activity Tax Simplification Act of 2011
  - Redefine "physical presence" to limit taxes on businesses

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### ASK ME ANYTHING!

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